Testimony of Wyoming Governor Jim Geringer
Delivered to the U.S. House of Representatives
Committee on Resources
The Honorable James V. Hansen, Chairman
Oversight Hearing on Role of Public Lands in the Development of a Self-Reliant Energy Policy

March 7, 2001

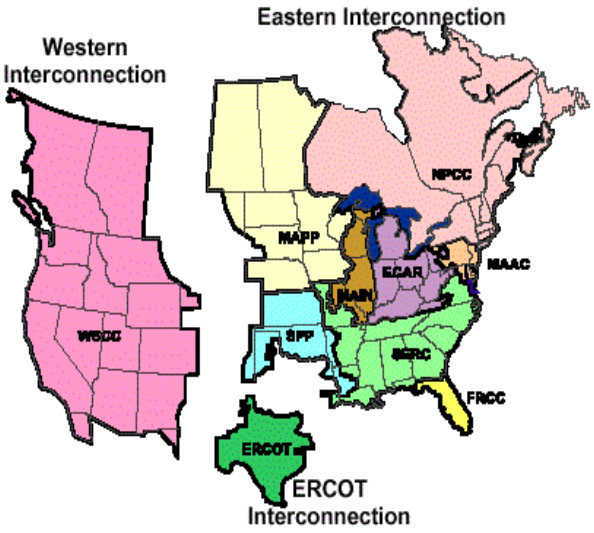
Mr. Chairman and Committee Members, thank you for addressing the subject of how America might and should become energy self-reliant, and in particular what the role of federal lands might be in that effort. Thank you also for asking for the views of western governors. The energy future of this nation is dramatically linked to the energy future of western states. More than that, we consider that the environment, the economy and community are a dynamic balance continually in the making.

Self-reliance is more than energy

America's long term sustained growth in the economy has been jump started by increases in productivity fueled by innovation, risk and perseverance**.** We risk losing our economic momentum if we cannot literally provide the fuel for the new economy. Rising energy costs have been a major contributor to the recent slowdown in economic growth.

The future of our national economy depends upon our sustainable energy self-reliance. Public lands are at the forefront in providing the potential to provide much in the form of raw energy or access to produce and deliver that energy. The development of the New Economy in America is heavily inter-dependent upon technology and reliable, high quality electric power. Beyond the new economy, agricultural production and processing, manufacturing, renewable resources, protection of endangered species, recreational opportunities all affect our economy and our society and each of them is affected in part by what happens on the resource of our public lands. Our economic and social opportunities are directly linked to energy solutions. We have learned from the current crisis that energy solutions involve diverse sources and technologies ranging from fossil fuels to solar, from energy production to demand-side management and efficiency.

Energy is affecting everyone, not just California



The electricity crisis that began in California has spread throughout the western power grid, known as the Western Interconnection. See map.

At its core, the crisis is a result of an imbalance of electricity demand and supply. Electricity demand has grown with the growth in population and a growing economy in the West. Few new powerplants have been built in the past decade in the West and energy conservation efforts declined. This underlying imbalance of supply and demand has been exacerbated by the structure of the electricity market in California that put extraordinary reliance on the spot market at the expense of more stable, long-term contracts. High natural gas prices and a drought in the Northwest are further exacerbating the crisis.

This crisis reaches well beyond California. The Bonneville Power Administration is considering a 100% rate increase. Many utilities, such as the City of Tacoma, and industries, such as Phelps Dodge, are reeling from extraordinary wholesale electricity prices. From Montana to Arizona, plants and mines have shut down because of the high cost of electricity. The crisis may deepen with summer peak demand and continuing drought in the Northwest.

The reality of the high energy prices was driven home last month when one of our county commissioners in northeast Wyoming received a phone call from an elderly lady who wanted to know how she was going to pay her $500 heating bill when her monthly income was just $600 per month.

Last December when the price of natural gas hit $10 per MMBTU, almost half of the nation's nitrogen industry shut down for several weeks, since natural gas is the feedstock for nitrogen fertilizer. With significantly reduced supply, farmers this spring will be paying unusually high prices for anhydrous ammonia and other nitrogen assuming not only that it is available but that in the event they can get it they can actually afford it. Much of the manufacture of nitrogen has shifted off-shore and America is paying other countries to produce as much as one third of all our nation's nitrogen. The security and affordability of our food supply will be affected.

I need not spend much time recounting the difficulties experienced by California citizens with electricity. Our northwest states of Oregon, Idaho and Washington are experiencing

one of the driest winters on record which will manifest itself in lower than usual runoff, less hydroelectric power and serious impacts to endangered fish. This will be further exacerbated by the compounding economic effects caused by the shortage of electricity. Farmers can make more money by being paid for not using electricity than by raising crops and livestock. The same is true in manufacturing aluminum.

Western governors have worked long and hard to raise citizen awareness to the serious nature of the energy situation. On December 1, Western governors adopted resolutions on energy policy, coal and natural gas. On December 20, Western governors held an emergency meeting in Denver with and met with former DOE Secretary Bill Richardson and former FERC Chairman Jim Hoecker. By January 9, nine western governors approved a Short-term Energy Conservation Strategy aimed at coordinated action to dampen demand. On February 2, the Western Governors' Association hosted an Energy Policy Roundtable in Portland, Oregon. Joining us were Energy Secretary Abraham, all three FERC commissioners, and leaders from major utilities, natural gas and coal producers, environmental groups, academic experts, and small and large retail customers. We adopted several short- and long-term energy policy recommendations. On February 27, Western governors met with Vice President Cheney to discuss the items requiring federal action. We requested that an agreement be developed between Western States and the Cheney energy policy team to provide for collaboration on our mutual energy challenges. (See attached information given to the Vice President.)

Finally, energy policy has become a high priority nationally. I commend you and the rest of the Resources Committee for recognizing that management of and access to our federal public lands will play a pivotal if not critical role in developing energy self-reliance.

Who's in Charge?

Today's power shortages in California may only portend the aftershocks of even greater shortages in other states this summer and compounded next winter. New energy supplies are being developed at only one to two percent per year while energy consumption is forecast to grow at two to three times that rate. Who's in charge of our nation's energy situation? Why didn't someone wake up sooner so that we wouldn't have this uncertainty? We need to increase supply and an infrastructure to transport that supply. Part of the answer is that we have energy policy by default, not by design, policy that is confused rather than coherent. Who should be in charge? In reality, no one person or entity is or should be in complete charge of managing the production, distribution or consumption of our nation's energy supply. We are in this together. Partnerships are vital and beneficial. Your letter of invitation to me for my testimony asked for my "…perspective on the role of state government interacting with federal land and mineral managers in developing a more self-reliant energy policy for the nation through increased utilization of domestic supplies in an environmentally sound manner." The key phrase in your invitation is "…interaction with federal land managers." Interaction must be as full partners progressing towards common goals. If state government has a committed partnership (or interaction) with federal land managers we will produce domestic supplies of energy in an environmentally safe manner. It is as simple as that.

History of Energy Policy
Until 1973, the federal interest in energy policy and production was centered on the primary principle that energy should be cheap and plentiful. The Arab oil embargo reinforced the notion that energy policy was synonymous with oil policy. Conservation of the resource to prevent waste and environmental protection was left to the states, as it should be. The federal policy by default today is that Americans should be induced to reduce consumption, especially through higher prices brought on by restricted access to production and distribution. This equates to an internal embargo. The current discussion and research concerning global warming has fostered the policy tenet that we should get rid of any fuel that contains carbon. This approach is certainly disjointed and confusing.

The federal government in the mid-70's began a series of efforts to write a national energy policy. Six attempts were made in 25 years with none being comprehensive, particularly as it would affect public land management. Any successful new attempt must cut across all resource jurisdictions, public and private, state and federal. Likewise, any new policy must recognize the balance needed among the economy, the environment and the community. Again, give the states full partnership or "interaction" and we will produce energy.

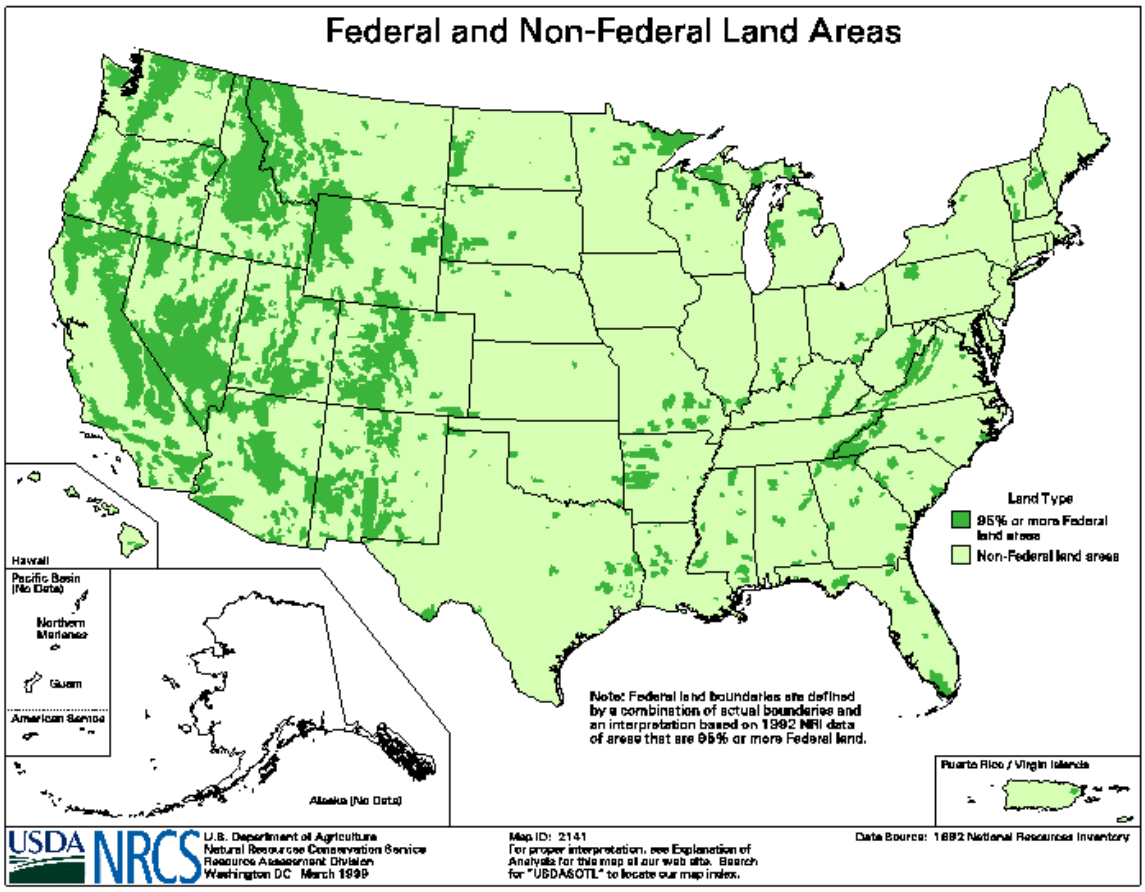
Policy by Purpose, not by Paranoia - Develop management directives that foster cooperation, not polarization.
Over the past decade, management by litigation and intimidation has prevailed over management based on policy goals and has helped define our national energy policy. As one previous chair of the Council on Environmental Quality put it, "…our common ground, the environment, has become a battleground. Somehow, nearly half of the EPA's work is not the product of our collective will on the environment, but rather the product of judicial decree. Somehow, we have become a country in receivership, with the courts managing our forests, our rivers and our rangelands." CEQ Chair McGinty, 1997.

Former Chief of the Forest Service, Jack Ward Thomas, lamented during a speech in Wyoming five years ago, that he took his appointment believing that he was the chief resource manager of the nations' forests. But he said, "I have the least control of anyone, over resource management and allocation. The Fish and Wildlife Service has more say over forest management and health than I, through the Endangered Species Act. Legal challenges consume the majority of my day."

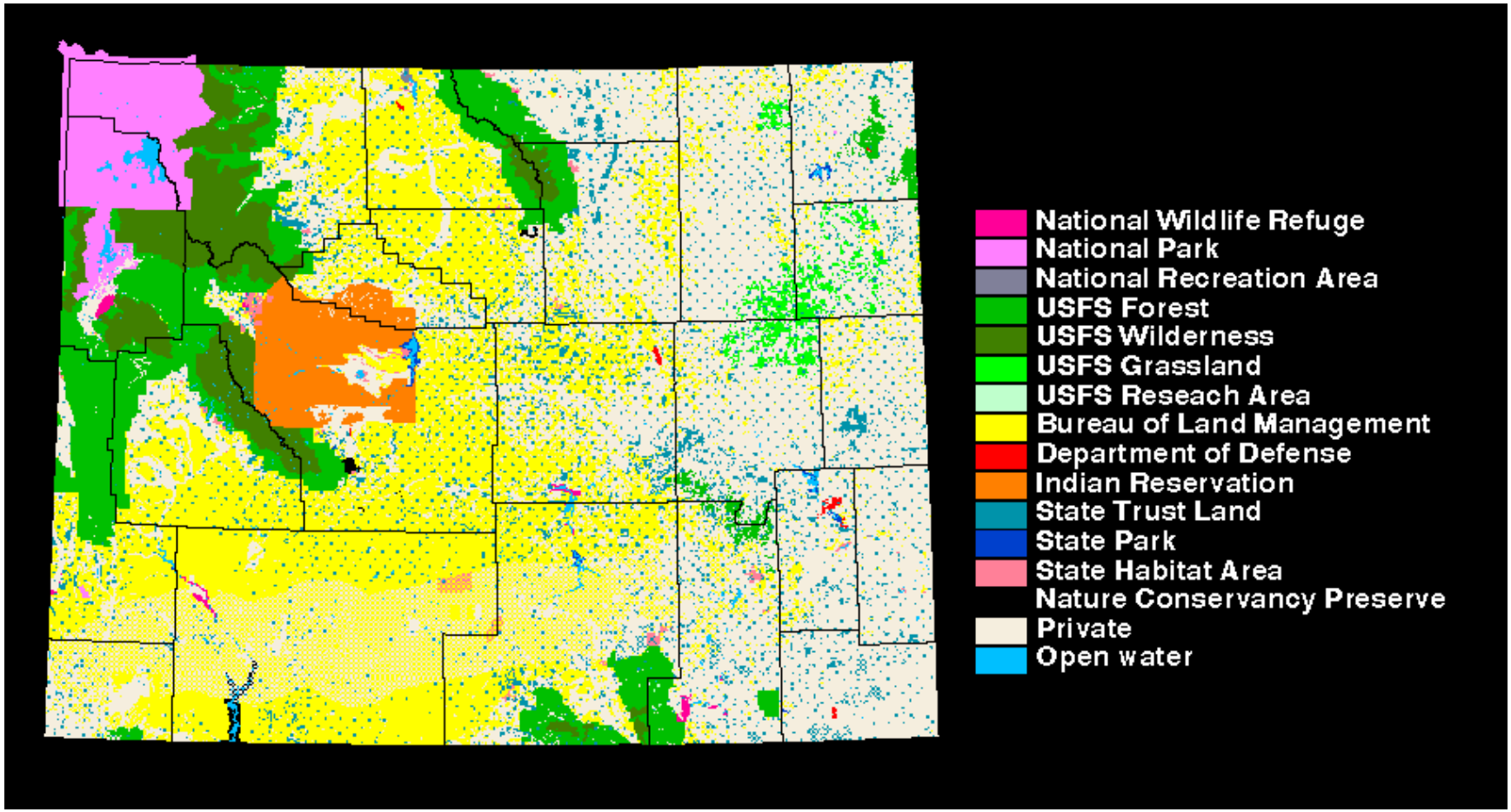
Who Should Manage the Land? – Shared responsibility, concurrent jurisdictions.
Energy self-reliance through public lands will focus on the West, since nearly 75% of all BLM and Forest Service lands in the United States are located in our Western states, particularly those that are rich in environmental as well as energy values. These lands are managed for the general national public benefit, but the laws, policies and management decisions and judicial direction for public lands most directly impact, both socially and economically, the people who live in the West. Our residents and communities depend upon the total resource for recreation, wildlife habitat, resource use, mineral extraction, water supplies, flood protection, hunting, fishing, aesthetic values, tourism and

monuments. When you tinker with federal land issues in the West, you not only affect the economies of all Americans but also the livelihoods of those people and communities living near and relying on our public lands in the west.

As illustrated in the following figure, federal land ownership in America is not collected all in one place. Much of it is intermingled with state and private ownership. Regardless of specific ownership, public or private, we must recognize that none of our natural resource decisions can be made exclusively and independently of other managers or owners in the vicinity of our public lands. Again, we must interact as partners. States and the federal government have shared or concurrent jurisdictions over activities on our lands. We are both rooted as constitutional governments, the federal with enumerated powers and the states with reserved and delegated powers. As a result, activities on federal lands require state as well as federal permits and permissions to be successful. Both must respect the rights of private property adjacent to or co-mingled with governmental ownership.



States own and manage lands that are near, adjacent to, or intermingled with federal lands. To illustrate, I refer to the next figure in this presentation that shows land ownership patterns just in the State of Wyoming. There are fifteen categories of land ownership, each with its own approach to resource management.



15 Ownership Categories, each with a unique set of management procedures

Where federal land ownership dominates, partnerships are a necessity, not just a nicety to be doled out by a patronizing federal government.

Environment
In Wyoming we produce, process and/or transport coal, oil, natural gas, wind generation, and uranium. We have some of the cleanest air in the nation. Our water is so clean that we are one of the few states without a fish advisory. We have proven that a clean environment and a robust energy sector are not at odds with each other.

Potential Energy – It's not just a matter of physics, it's location, location, location.
Energy in the West isn't just electricity. Energy takes many forms, but is most meaningful in generic terms of heat measurement, such as BTU's, or as electrons. Much of that energy is available in and under our federal public lands. For example, there are 478 billion tons of federal coal reserves in undeveloped portions of the Powder River Basin in Wyoming and Montana.[1] There are another 362 billion tons of federal coal reserves on the Colorado Plateau.[2] Estimated oil in undiscovered conventional fields on federal lands range from 4.4 to 12.8 billion barrels. Similarly, estimates of technically recoverable gas in undiscovered conventional fields on federal lands range from 34.0 trillion cubic feet (TCF) to 96.8 TCF. Estimates of technically recoverable coalbed gas on federal lands range from 13.0 TCF to 19.6 TCF. [3]

Wyoming has enough coal reserves that, if we were a country, we would be number three in coal reserves in the world. Ninety-two percent of all coal produced in Wyoming comes from federal leases. Seventy five percent of methane gas produced in Wyoming comes from federal ownership. Sixty percent of our oil production is from federal lands. But we don't even come close to Alaska in terms of natural gas or petroleum. Highly effective wind generation in the West is situated on federal lands as is much of the hydroelectric generation. But today's energy production is not and will not be sufficient. America needs more energy. We have the energy but we have a sharp imbalance between where energy can be produced and where it is needed or consumed. Transmission pipelines and power lines are needed to connect supply with demand. Acquisition of rights-of-way is necessary. Governor Jane Hull of Arizona is frustrated with the most recent presidential declaration of yet another national monument in Arizona that will likely eliminate a long-approved power transmission line that was scheduled to connect energy generated in Arizona with consumers in California. Monumental decisions in Washington have created political misery in the West. If we cannot transmit energy it has no utility. If it has no utility we have no incentive. If we have no incentive we have a continuing energy policy based on default.

[1] 1999 Resource Assessment of Selection Tertiary Coal Beds and Zones in the Northern Rocky Mountains and Great Plains Region, October 1999.
[2] Federally Owned Coal and Federal Lands in the Colorado Plateau Region, USGS Fact Sheet FS-145-99, September 1999.
[3] 1995 National Oil and Gas Assessment and Onshore Federal Lands, USGS Open File Report 95-5-N, January 1998

Over 70% of Wyoming's mineral estate is federally owned. As with many western states, that amount of federal domination could render us a third-world colony rather than the sovereign states that we are. Wyoming ranks first of all states in the production of coal and uranium. Our natural gas exploration and production has increased our known reserves significantly in recent years so that we now rank fourth, but a distant fourth behind Alaska. Our extractable reserves are equivalent to 374 billion barrels of oil. With OPEC currently producing approximately 25 million barrels of oil per day, Wyoming's energy potential could completely replace the entire OPEC production for the next 41 years.

We have it, America needs it.
With this world-class base of raw resources at our very feet, how come America is in such a critical situation of short supply? The answer is simple: access to the resources has become more difficult and the ability to transport the products in any form remains unpredictable and uncertain. In Wyoming almost any project to develop new production or to transport it to consumers involves a federal action subject to the processes of the National Environmental Policy Act, or NEPA. The original intent of NEPA was admirable, but the immense body of activities developed in its implementation in particular over the past eight years has elevated process itself over results and has allowed opportunity for political control rather than public disclosure and real protection.

To illustrate, the Bureau of Land Management has been developing an Environmental Assessment for an additional 2500 permits for Coal Bed Methane wells in Wyoming's Powder River Basin. If the wells are not developed on the federal lands, production on adjacent state and privately owned lands will pull the methane gas out of the federal ownership. Following its approved procedures, the BLM had completed its work and had given assurances to leaseholders that the additional permits would be available by March 1, 2001. At the last moment the U. S. Fish and Wildlife Service reported that it had not completed its required assessment of impacts and would delay the issuance of permits. The lack of coordination and cooperation between two divisions within the single Department of Interior will delay access to a much-needed supply of gas in a very attractive market. Federal activity is primarily focused on process rather than results and there is no accountability for improper decisions. You have asked for my views on interaction between state government and federal land managers. One of my views is that as a start "interaction" must begin with and between federal agencies.

What's a NEPA? – <u>It's not the act, it's the actors.</u>
The National Environmental Policy Act was enacted in 1969 with the stated purpose of "recognizing the profound impact of man's activity on the interrelations of all components of the natural environment." Further on in the Purpose Clause, the act declares that "it is the policy of the Federal Government, in cooperation with *State and local governments* and other concerned public and private organizations... to create and maintain conditions under which man and nature can exist in productive harmony and fulfill the social, economic and other requirements of present and future generations."

Implementation of this short and relatively simple act, NEPA, has resulted in such a myriad of regulations and processes, that state and local authorities have little or no idea which way the whip saw will go next. Inconsistency between and among federal agencies is rampant.

The Act is intended to require federal, state and private actions that are comprehensive, elicit better planning, are inter-generational in their beneficial effect, and strike a wholesome balance between the environment and the economy.

Federal regulations for the implementation of NEPA, must be streamlined and applied in a manner that reduces costs, eliminates interagency conflicts and inconsistencies, and is more efficient and timely. Western governors recommend that streamlining start with the adoption of management principles such as the eight Enlibra principles we adopted in 1999. These principles, which are attached to my testimony, reflect a practical, common sense way to approach environmental decisions, just as Wyoming's native son, Dr. W. Edward Deming's principles of quality management enabled a quality revolution. We have employed these principles successfully on several difficult environmental issues.

Earlier I referenced that we are in an age of litigation with the courts directing the management of our resources. But it's not just that the courts are *directly* managing many of our resources, they are *indirectly* managing public resources in our states because of the *fear* of litigation, not just because of actual litigation. Implementation of NEPA is not the problem. It's the process. It takes too long, costs too much, spawns unending litigation and is so inconsistently implemented that each agency requires extra layers of management for its own unique set of regulations. *It's not the ACT, Mr. Chairman, it's the ACTORS.*

You don't have to amend NEPA, Mr. Chairman, if you would simply require the federal government to be consistent and speak with a unified voice of management. That should be among the first tasks that your committee undertakes with Vice-President Cheney in his role as Energy Czar.

Other specific actions that could and should be taken include reallocating federal resources and personnel to activities that are focused on the near-term need for more energy. For example, Wyoming's Powder River Basin is the nation's largest deposit of clean-burning coal. Over 90 percent of current coal production is developed under federal leases. More clean-air-compliant coal could be produced by simply increasing the number of LBA's (Leases By Application) from one per year to two per year. The processes do not need to be changed. What's lacking are the people resources needed for processing the applications. As today's coal prices continue to rise, increasing the pace of LBA's with competitive bidding would enhance bonuses paid as well as production bids. Federal agencies are waiting for direction and necessary resources to engage in strategic planning for the enhancement of energy supplies developed efficiently and in environmentally sound ways on public lands.

Similarly, State resources for participation in and implementation of such activities could be enhanced through the release of the state-share funds, which now total more than $400 million for the western states and energy tribes, from the abandoned mine lands program.

In addition,

- The Clinton Roadless Policy threatens to strand over 55 million acres, some of which include significant potential for energy development, both renewable and non-renewable. Four Western Governors asked to "interact" by being granted cooperating agency status. We were denied.
- The U S Forest Service has previously been directed to adopt and revise individual forest plans in an accelerated fashion that is hardly strategic and certainly exclusive of energy development. The fast track plan revision coupled with the Clinton Roadless initiative for 55 million acres is hardly a sound strategy for resource management.
- The projected growth in natural gas demand will necessitate a significant increase in pipeline and distribution systems over the next decade, many of which will cross federal lands. Best estimates are that 38,000 miles of new gas pipelines are needed. The federal government will have to facilitate this construction by working with each affected state to coordinate rights of way and production.
- Natural gas is the fuel of choice for the near term, since well over 90 percent of new electric power generation will be gas fired, even though 60% of current generation is from coal.
- Alternatives for construction and maintenance of electric transmission grid must be encouraged. Today's problems focus on California, but significant shortages are imminent in the Midwest.
- A myriad of directives and solicitors' opinions which flew out of Washington, D.C. on January 19th regarding multiple use of our BLM lands needs to be re-assessed for purpose and benefit.

The recommendation from the West, Mr. Chairman, is that we pursue solutions that focus on results, that symbolize balance and stewardship, that recognize states as partners and, above all, that you resist pre-empting state laws and jurisdictions. Energy is plentiful within the boundaries of public land jurisdictions.

The Opportunities

I want to leave you with the message that the current energy crisis is an opportunity to break through the often unproductive deadlock that pits energy needs against environmental protection. The western electricity crisis has awakened us to how much we don't know about the energy resources of the nation and how little we have explored opportunities to meet the energy needs of a growing economy while protecting our environment. We need to seek out opportunities to promote energy development AND environmental protection.

Below I have outlined several subjects under this Committee's jurisdiction that warrant careful and thoughtful examination. There are undoubtedly other areas where progress can be made in promoting energy development and protecting the environment.

Rights-of-way and permitting: Far fewer new power transmission lines and oil and gas pipelines have been built in the West in the past decade than are needed today. The permitting processes of federal land management agencies and states are generally rusty and not capable of the rapid action required to meet the energy demands of the West. While some folks may call for the heavy hand of federal preemption of existing state and federal agency permitting processes, there is little reason for such draconian action, but much to justify new approaches to integrate and accelerate existing permitting process. For example, in the West we are unaware of any interstate transmission lines that have ever been blocked by lack of a *state* permit.

We need to revive the permitting process from the past decade of dormancy. This needs to be done in a manner that reduces overall permitting time and improves the quality of project reviews. Tomorrow, members of my staff will be meeting with Staff of the Western Governors' Association and a major information technology firm to begin exploring how high performance computing can be employed to expedite project assessment and the NEPA review process. This kind of innovative activity needs to become the rule, rather than the exception in the thinking of our agencies: how can we do our jobs better, faster and cheaper without sacrificing the environment or the economy.

I recommend that this Committee:

- Urge federal permitting agencies to include states as cooperating agencies under NEPA reviews of energy projects whenever a state requests cooperating agency status;
- Encourage the BLM and Forest Service to work with western governors to develop a process that coordinates and synchronizes federal and state reviews of proposed energy projects; and
- Encourage federal agencies, including the Department of Energy, to work with the states to develop the information necessary for the consideration of alternatives to energy projects that are required under NEPA.

Enhancing electricity production from federal dams: In the West, two federal power marketing administrations, the Bonneville Power Administration and the Western Area Power Administration, market electricity generated at dams operated by the Bureau of Reclamation and the Corps of Engineers. We are all familiar with the arguments over the impact of such dams on the environment. The ongoing western electricity crisis is also reminding us how critical the hydro-electric system is to meeting the electricity demand. Let's develop opportunities to use the hydro-electric system to generate more electricity AND protect the environment. For example, a re-regulating dam and reservoir downstream from Glen Canyon Dam could enable greater peak electricity production, protect downstream environmental resources from the problems created by rapid fluctuations in flows and mitigate environmental problems for native species. More

effective use could be made of federal dams for stored generation capacity to even out the power generated by intermittent wind power generation. The BPA in its recent announced solicitation of 1,000 megawatts of wind generation, may use this wind power to balance hydro-electric generation. There are opportunities to replace 40-60 year old generators with more efficient generators thereby increasing electricity generation from the same amount of water (e.g., rewinds and replacements at Bonneville Dam, The Dallas Dam, McNary Dam, Chief Joseph Dam) or build additional power plants at existing dams (e.g., Folsom, Anderson Ranch, Black Canyon, Lewiston, Grand Coulee. We could evaluate opportunities to modify irrigation practices to shift pumping loads off-peak, to use more efficient pumps and to improve the efficiency of water use.

I urge you to direct BPA, WAPA, BuRec and the Corps to seek out opportunities to use their assets to enhance electricity production while protecting the environment. I recommend that you ask them to report in 10 months on measures to achieve this end and to consult with governors throughout their work.

Abandoned Mine Land funds: In enacting the Surface Mining Control and Reclamation Act of 1977, a bargain was struck between coal producing states and Indian tribes and the federal government under which the states and tribes would receive at least one-half of the abandoned mine land fee collections from coal mining within their borders. Over the years, this fundamental agreement has been undercut by limits on appropriations of the state/tribal share of AML collections, and diversion of the funds to the U.S. Treasury and the health benefits of retired coal miners. The result is that nearly every coal mining state and Indian tribe is owed significant amounts of money. For example, the latest annual data (12/31/00) from OSM shows: West Virginia is owed $95 million; Kentucky $101 million; Pennsylvania, $47 million; Montana $36 million, Utah $11 million; the Council of Energy Resource Tribes, $35 million and for Wyoming, the largest coal producing state, the most recent estimate is nearly $300 million.

As part of the bargain struck in 1977, states that completed their clean-up of abandoned mines could use the funds for other public purposes. Wyoming is in this position. So may be other states and tribes. At this point, our own money is being withheld from Wyoming when these needed funds could be put to work expanding our capability to develop our energy and related resources and enhance the environment of our beautiful state.

I urge this Committee to enact legislation that will enable states and Indian Tribes to access and use the State-share monies they are due under the Surface Mining Control and Reclamation Act of 1977.

Energy and fires: Until last summer, few made the connection between our forest and range fires and the reliability of the western electric power system. However, the fires of last summer drove home the connection as fires in New Mexico knocked out a 500 Kv transmission line from Four Corners to Albuquerque causing serious blackouts. In Montana, the major fires resulted in the shut down of a major 500 Kv transmission line

that moves coal-generated power from eastern Montana to Seattle. You can imagine the implications of these events if they should recur during this summer's peak load.

Last fall, western governors negotiated an agreement with then-Interior Secretary Babbitt and then-Agriculture Secretary Glickman to correct the imbalance in land management decisions. The agreement, which the Congress memorialized in the Interior Appropriations Committee Report, makes the states full partners and requires that local expertise and understanding be incorporated into forest management decisions during the extensive forest restoration activities over the next ten years. While the issues addressed in this agreement extend beyond issues of energy, I commend this agreement to the Committee and urge you to support its implementation as a model of the right way to manage our public lands and resources.

I understand that my colleague Montana Governor Judy Martz will be testifying tomorrow to the Forest and Forest Health Subcommittee on these important issues.

Royalty management and well inspection: I want to thank you and the Congress for acting last year to remove a major irritant limiting state/federal cooperation on royalty management and well inspection which was the deduction of unsupported federal agency costs from the states' share of Mineral Leasing Act revenues. With this obstacle removed, we have an opportunity for the thoughtful examination of ways in which the states and federal government might further cooperate in enhancing the efficiency of how we collect royalties and manage mineral leases, such as by taking royalties in-kind rather than in-cash.

You should encourage new leadership at the BLM and MMS to seek greater efficiencies in the execution of their responsibilities through enhanced collaboration with states. Both BLM and MMS execute responsibilities that parallel those of state agencies. We ought to be able to take better advantage of the synergies between these federal and state agencies to improve well inspections and simplify royalty management while reducing the burden on lessees.

National parks and gateway communities: Many of the most spectacular lands and waters in the nation are under the jurisdiction of the National Park Service and other federal land management agencies. The public's interest in experiencing these national treasurers is growing with the resulting increased pressure on the environment and gateway communities.

We need to find and capitalize on opportunities to show how parks and gateway communities can work in harmony with the environment while meeting needs of visitors. We need to use the parks and gateway communities as educational models of our ability to meet our energy needs while protecting the environment.

I understand that there are examples of steps that can be taken in this direction. For example, in the Chairman's state of Utah, the state, the local utility (PacifiCorp), and

the National Park Service have collaborated to replace remote and polluting diesel generation at Lake Powell with photo-voltaic. Zion National Park's pressing need to reduce traffic in the inner canyon has been integrated with the transportation needs of the park's gateway community of Springdale. These types of innovations should be the norm, not the exception.

I urge you to direct the National Park Service, the BLM, the Forest Service and the Fish and Wildlife Service to seek out opportunities with gateway communities and states to meeting the needs of visitors and the gateway communities while providing a showcase of how the needs for energy and environmental protection can be met. I recommend that you direct these agencies to come back with a plan in 10 months that identifies the opportunities for collaboration and necessary resources to implement the plan. These plans must be developed in cooperation with gateway communities and states.

Thomas Jefferson maintained a solid belief that the success of our democracy lies in ordinary citizens vested with deep civic responsibility, citizens who engage each other directly in the pursuit of the common good. The American West can and should reject the last two decades of bitter debate among environmentalists and resource users that has become so polarized that we have gridlock rather than any public benefit from our public lands. Former EPA Director Bill Ruckelshaus has said "business, governments and citizens, frustrated by years of litigation and stalemate, have begun to turn to the common good, sometimes out of desperation, but more frequently out of hope. Hope that the decisions they yield will be less controversial and more durable. Hope that jointly designed decisions will be better and more informed decisions. And hope that stakeholder processes could actually help to regenerate public confidence in our institutions, including both government and business."

Mr. Chairman, thank you. I would be happy to answer any questions.